



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 12, 1993

Mr. Gary R. Morris
Unocal Corporate Environmental
715 Horizon Drive, Suite 485
Grand Junction, CO 81506

Dear Mr. Morris:

Re: Amendment approval, Permit Transfer and Reclamation of the Small Fry Mine,
M/037/022, San Juan County, Utah

The Division recently reviewed a copy of Molycorp's May 18, 1993, "Proposal for Relocation of Molycorp Dry Valley NORM to Small Fry Mine, San Juan County, Utah", and forwarded our response to the Utah Division of Radiation Control (see attachment). The Division hereby approves the plan as an amendment to the existing Mining and Reclamation Plan, for the Small Fry Mine.

Because this proposal constitutes a change in the approved permit for the Small Fry Mine, we request that Molycorp provide us with a copy of this proposal to update the mine file. The proposal will be categorized as an amendment to the approved mining and reclamation plan for the Small Fry Mine. It is our opinion that the proposal does not constitute a revision to the current reclamation surety for this mine site.

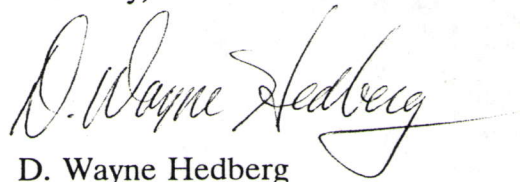
It is our understanding that ultimate reclamation responsibility for the Small Fry Mine will be transferred from W.K. Enterprises to Molycorp. If this is the case, then the approved permit application for the mine must be formally transferred. For your convenience, we have attached a copy of our large mine permit transfer form (FORM MR-TRL). Please complete the transfer form and return it to this office for processing. We also request notification of your anticipated timeframe for completing final reclamation of the site. As you know, a replacement reclamation surety is necessary from Molycorp to complete the permit transfer process and allow release of W.K. Enterprises existing surety.



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Please contact me or Holland Shepherd of my staff if you have questions or concerns in this regard. Thank you for your cooperation and assistance in completing this permitting action.

Sincerely,

A handwritten signature in cursive script that reads "D. Wayne Hedberg". The signature is fluid and extends to the right with a long, sweeping tail.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachments
cc: Wilene Shumway, W.K. Enterprises
Lowell Braxton, DOGM
M037022.2